



A RESOLUTION

03-R-_____

03-R-0321

BY CITY UTILITIES COMMITTEE

A RESOLUTION AMENDING RESOLUTION 02-R-1179 TO INCREASE THE COMPENSATION LIMITS FOR MONTGOMERY WATSON/KHAFRA-JV, FOR CONTRACT FC-7093-99, PROGRAM MANAGEMENT SERVICES FOR THE ATLANTA WASTEWATER SYSTEM IMPROVEMENTS, DURING THE SECOND YEAR OF TERM, FROM MARCH 16, 2002 TO MARCH 31, 2003, PURSUANT TO THE TERMS AND CONDITIONS OF THE CONTRACT, FROM \$20,900,000.00 TO \$23,600,000.00, A NET INCREASE OF \$2,700,000.00, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NUMBER: 2J27 524001 T31001.

WHEREAS, the City has heretofore entered into Contract FC-7093-99, Program Management Services for the Atlanta Wastewater System Improvements for program management services to facilitate project management and oversight services related to the planning, design, and construction of wastewater system improvements on behalf of the Department of Watershed Management pursuant to Resolution 01-R-0036, adopted January 16, 2001 and approved by the Mayor January 23, 2001; and

WHEREAS, the City's recently formed Department of Watershed Management was not reasonably staffed to transition certain activities from consultant to City staff within the second year of program management services as originally scheduled, thus it is now necessary to increase the compensation limit from \$20,900,000.00 to \$23,600,000.00, a net increase of \$2,700,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the compensation limits for the second year of the Term of said Contract FC-7093-99, Program Management Services for the Atlanta Wastewater System Improvements with Montgomery Watson/Khafra-JV, be and hereby are established in accordance with the applicable provisions thereof up to a total amount not to exceed \$23,600,000.00.

BE IT FURTHER RESOLVED, that all contracted work shall be charged to and paid from Fund Account and Center Number: 2J27 524001 T31001.

A true copy,

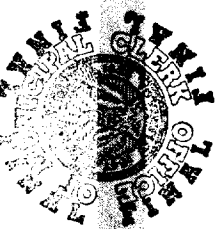
Rhonda Daphin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

MAR 03, 2003
MAR 11, 2003

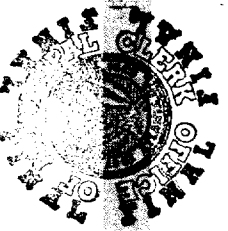
Two Resolutions Offered

- Amend PMT 2nd year budget to provide services through 3/31/03
- Establish PMT 3rd year compensation limit



Revised contract terms results in lower cost

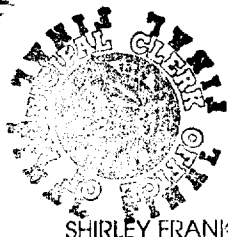
- PMT gained improved efficiency of operation and improved understanding of risk
- Allowed negotiated reduction of indirect contract cost terms
- Net savings of about \$2 million of cost
- PMT remains at risk for liquidated damages, as per original contract terms



Principal components of year 2 additional services

- Positions not transitioned to City staff = \$2.0 M
- Additional non-budgeted services = \$0.4 M
- Additional specialty resources = \$0.3 M
- Total year 2 funding required = \$2.7 M





SHIRLEY FRANKLIN
MAYOR



CITY OF ATLANTA

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DEPARTMENT OF
WATERSHED MANAGEMENT
JACK E. RAVAN
Commissioner

MEMORANDUM

To: Council President Cathy Woolard
Council Member Felicia Moore, Chair – Finance/Executive Committee
Council Member Clair Muller, Chair -- City Utilities Committee
All Council Members

From: Jack E. Ravan, Commissioner

Date: 2/20/03

Subject: Proposed Amendment for Second Year of Program Management Services

The Program Management Team (PMT) second year compensation was approved at \$20.9 million, based on an aggressive plan to transition certain Consent Decree activities from consultant to City staff. The second year covers the period of 3/16/02 through 3/31/03.

The City's recently formed Department of Watershed Management Services was not reasonably staffed and fully organized to accept transition of these activities to City staff within the second year of PMT services as originally scheduled.

At the direction of DWM, the PMT has continued to provide these Consent Decree required activities, therefore will exhaust their second year funding about the beginning of March 2003, rather than the end of March 2003. It is therefore necessary to increase the amount of the PMT second year compensation limits from \$20.9 million to \$23.6 million, a net increase of \$2.7 million, to provide services through 3/31/03, pending approval for third year compensation (Apr 03 through Mar 04).

Approval by the City Utilities Committee on February 25, 2003 and the City Council on March 3, 2003 assures funding is available in advance to provide continued PMT services during March 2003.

The PMT has indicated a willingness to continue services "at risk" pending approval of third year funding, but City Council has previously made it clear that they do not wish to be approving budgets after the funds are expended.

For that reason, two separate resolutions are provided – the first resolution amends the PMT second year budget to provide services through March 21, 2003 and the second resolution establishes the limit for third year compensation.



Principal Year 2 additional services

- Positions not transitioned to City staff = \$2.0 M
 - Emergency spill response field crews
 - Creek crossing / r-o-w inspection field crew
 - Outsourcing of sewer vehicle repairs
- Additional non-budgeted services = \$0.5 M
 - CSO pre-design services in support of Clough committee
 - Clough committee expenses
 - Engineering analysis of Vine City flooding
- Additional specialty resources = \$0.2 M
 - State and federal governmental relations services
- Total year 2 funding required = \$2.7 M



RCS# 4535
3/03/03
7:17 PM

Atlanta City Council

Regular Session

03-R-0321

Increase Compensation Limits for
Montgomery Watson/Khafra-JV Contract
ADOPT

YEAS: 13
NAYS: 1
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 0

Y Smith	N Archibong	Y Moore	Y Mitchell
Y Starnes	Y Fauver	NV Martin	Y Norwood
Y Young	Y Shook	Y Maddox	Y Willis
Y Winslow	Y Muller	Y Boazman	NV Woolard

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